



OSD

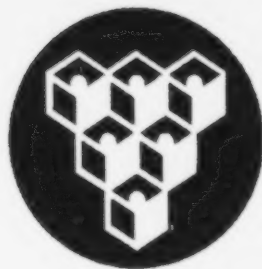
Organization & Staff Development

consulting and training that make a difference

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2007 Annual Report



**Organization and Staff Development
Manitoba Civil Service Commission**

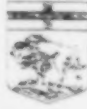
consulting & training that make a difference

2007 Annual Report



**Organization and Staff Development
Manitoba Civil Service Commission**

consulting & training that make a difference



**Minister responsible
for The Civil Service Act**

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour
The Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour

I am pleased to present the Thirteenth Annual Report of the Organization and Staff Development Agency for the fiscal year ended March 31, 2007.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Greg Selinger'.

Greg Selinger
Minister Responsible for the Organization
and Staff Development Agency
Civil Service Commission

Manitoba



Civil Service Commission

Office of the Commissioner
935 - 155 Carlton Street
Winnipeg, MB R3C 3H8

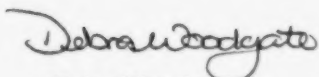
Honourable Greg Selinger
Minister Responsible for the Organization
and Staff Development Agency
Civil Service Commission
103 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Mr. Selinger:

I am pleased to submit, for your consideration, the 2007 Annual Report of Organization and Staff Development (OSD) as a Special Operating Agency.

The report covers the period April 1, 2006 to March 31, 2007. During this period, OSD continued to strive to fulfill its obligations as a self-sustaining operation and to achieve its service and financial objectives.

Respectfully submitted,



Debra Woodgate
Civil Service Commissioner
Chair of the Organization
and Staff Development Agency
Advisory Board

Manitoba
spirited energy

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Civil Service Commissioner's Letter of Transmittal

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OSD Advisory Board as at March 31, 2007

Chair

Debra Woodgate
Commissioner
Manitoba Civil Service Commission

Agency Management

Diane Kristjansson
Director
Organization and Staff Development
Manitoba Civil Service Commission

Members

Gisela Rempel
Assistant Deputy Minister
MICT Coordinated Services
Science, Technology, Energy & Mines

Marcia Thomson
Assistant Deputy Minister
Healthy Living & Health Programs
Manitoba Health

Rose Bear
Program Coordinator
Human Resource Programs Branch
Civil Service Commission

Vince Warden
Vice President & Chief Financial Officer
Finance & Administration
Manitoba Hydro

Guy Gordon
Executive Director
Science, Technology, Energy and Mines
Service Transformation Manitoba

Profile

Purpose

In 1970, the Manitoba Civil Service Commission created a branch to provide training workshops and advisory services that supported what the government wanted to achieve in the area of people and organization development.

In 1994, Organization and Staff Development (OSD) became the third Special Operating Agency of the Manitoba Government. The Special Operating Agency framework emphasizes accountability and end results. This emphasis is consistent with the OSD tradition of putting the service user first and always striving to make a difference.

Organization and Staff Development (OSD) is a program area of the Civil Service Commission. The agency provides consulting and training services. These services:

1. support implementation of government human resource policies and priorities, and
2. assist employees and their managers to solve organization problems, to improve and sustain service effectiveness, and to help realize the human potential that exists with organizations.

The agency determines needs in three ways. It reviews government initiatives and statements of priority. It meets with central government to understand better what is wanted from the people who provide service. It reviews feedback on its services, and talks to clients to determine changes in their needs.

Commitment

Organization and Staff Development (OSD) believes that its consulting and training services contribute positively to improving individual and organization effectiveness in the Manitoba Government and in those other organizations that access our services.

OSD is committed to representing three principles in whatever the agency does.

1. The needs of those who use our service are our concern.

This means we act with the courage necessary to understand our service users and to provide them with real help for real problems.

2. We treat others as friends, no differently than we treat ourselves.

This means we strive to make every contact an experience that benefits our service users, makes them better off for knowing us and leaves them a little wiser.

3. Our work is important work.

This means we serve to the best of our ability. We respect the privilege of helping Manitobans and those who represent them.

Director's Comment

April 2006 through March 2007 was a productive year for Organization and Staff Development (OSD) with OSD increasing its total revenue by 21% or \$331,791 and exceeding its net earnings target. Revenue from the Public Sector also increased by 13% or \$36,308.

Overall, the number of customized workshops delivered throughout the province increased by 77% or 243 workshops, accounting for much of OSD's financial success. Additionally, the number of participants in customized workshops also increased by 63% during this period. Much of this success may be attributed to the Security Awareness Training project which accounted for 180 workshops and 2,626 participants.

OSD's delivery of Guide workshops decreased 11%. However, the average number of participants per class remained constant at 17.

Participation in OSD Guide workshops offered in rural areas decreased slightly as two fewer workshops were offered than in the previous year. Customized workshops delivered outside Winnipeg, however, increased significantly from 50 workshops in 2005/2006 to 104 in 2006/2007.

Progress towards Goals and Objectives

OSD continues to fulfill its Business Plan commitments. In 2006/07, OSD continued to solidify the position of the agency as a relevant and valued supplier of consulting and training services. OSD achieved its goals and objectives and performance targets.

From 2006/07 Business Plan:

The primary goal for 2006/07 is to better coordinate and facilitate more cost-effective delivery of training and development in support of Government human resources priorities, particularly those associated with implementing the Civil Service Renewal Strategy. We will continue to solidify the position of the agency as a primary supplier of consulting and training services. The objectives for 2006/07 are:

1. To pursue opportunities to apply the Civil Service Commission model for investing in corporate policy support to other areas within government.

This model includes formally negotiating service agreements that will identify training services in return for a set amount of financing. OSD would assume responsibility for ensuring all civil servants could access relevant training in various corporate policy areas.

At the request of the Deputy Minister Advisory Committee on Human Resources, OSD began the process of determining how best to provide fair and equal access to relevant common training. Common training is defined as all training in support of the goals and outcomes of the Civil Service Renewal Strategy, all training in support of corporate human resource policies and all training in support of leadership development and common skill requirements. A working committee, established and chaired by OSD, will provide recommendations in 2007/08.

2. To proactively partner with clients to deliver training services to rural Manitoba. OSD will conduct needs assessments, poll stakeholders and co-ordinate workshops specifically in the Westman Region and the Northern Region.

This objective rededicates our efforts and makes specific commitments for delivery of service to the 40% of civil servants who work outside of Winnipeg.

Customized workshops delivered in the rural areas more than doubled in 2006/07 increasing from 50 workshops in 2005/2006 to 104 in 2006/07. Efforts to continue increasing delivery outside of Winnipeg are ongoing.

3. To provide support to the Renewal Strategy by developing and delivering a Leadership Development Program for supervisors, middle and executive levels of managers and other relevant training.

OSD will support the Civil Service Commission by taking the lead role in developing, delivering and communicating the training components of the model. These activities support Renewal. This objective meets a priority Renewal initiative goal.

OSD designed and implemented a five-module program for frontline supervisors called Essentials of Supervision. OSD continued to work with individual departments to develop leadership programs for frontline, mid and executive-level managers as part of departmental Renewal Strategies. Work in this area is ongoing.

4. To continue to develop further partnerships with post-secondary institutions within the province for accreditation for OSD workshops and communicate recognized service to the general civil service.

This objective is ongoing from previous years.

5. To support the Civil Service Commission and departments by developing, delivering and communicating the training components of the Renewal projects: Orientation program, Women's Leadership Program, Respectful Workplace Policy, Learning Policy and Learning plan.

OSD assumed responsibility in 2006/07 for the delivery of the Women's Leadership Program and Leadership @ All Levels which address leadership development and learning plans. OSD also played a key role in the development and delivery of Information Sessions for supervisors and managers focused on communicating the new Values and Ethics Guide, Corporate Respectful Workplace Policy and Public Interest Disclosure (Whistleblower) Act. Approximately 800 supervisors and managers attended Information Sessions. OSD will continue delivering sessions in 2007/08. The development of the Orientation Program is ongoing.

Performance Framework - Part 1

Table 1 – General Training

General training are those workshops scheduled in the *OSD Guide* to training & consulting services

"Workshops added" are those added in response to high demand of any regularly scheduled workshops

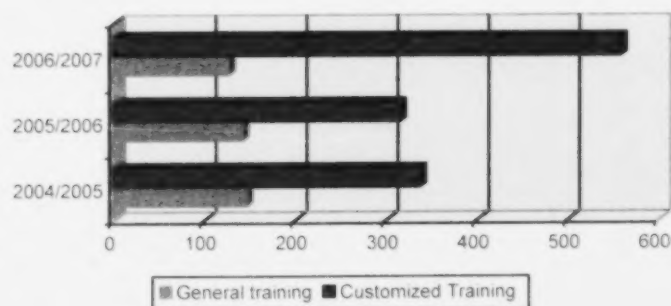
	<i>Workshops</i>	<i>Rural Workshops</i>	<i>Workshops Added</i>	<i>Total</i>	<i>Participants</i>	<i>Average per class</i>
2006/07	99	7	22	126	2150	17
2005/06	108	9	24	141	2432	17
2004/05	124	5	16	145	2057	14

Table 2 – Customized Training

Customized Training is consulting, training or administrative services provided to a specific service user and their organization.

	<i>Winnipeg Workshops</i>	<i>Rural Workshops</i>	<i>Total</i>	<i>Participants</i>	<i>Average per class</i>
2006/07	453	104	557	6587	12
2005/06	264	50	314	4038	13
2004/05	296	40	336	4522	13

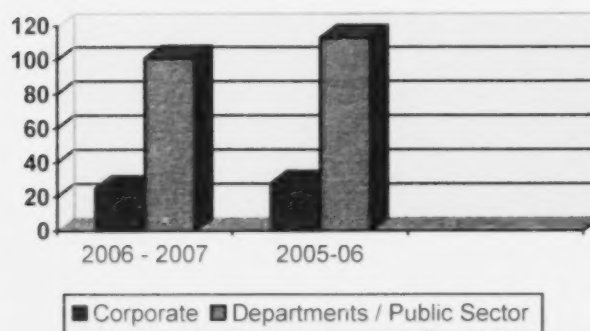
General Training and Customized Training Comparison Chart



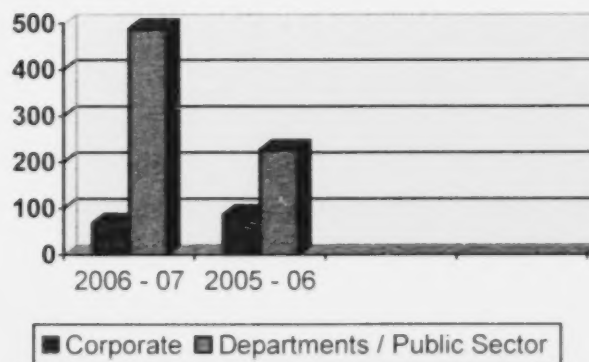
Performance Framework - Part 2

As at March 31/07	General Training (# of workshops delivered)		Customized (# of workshops / projects delivered)	
	2006/07	2005/06	2006/07	2005/06
Corporate (CSC sponsored)	25	28	69	87
Departmental / Public Sector	101	113	488	227
Total	126	141	557	314

General training

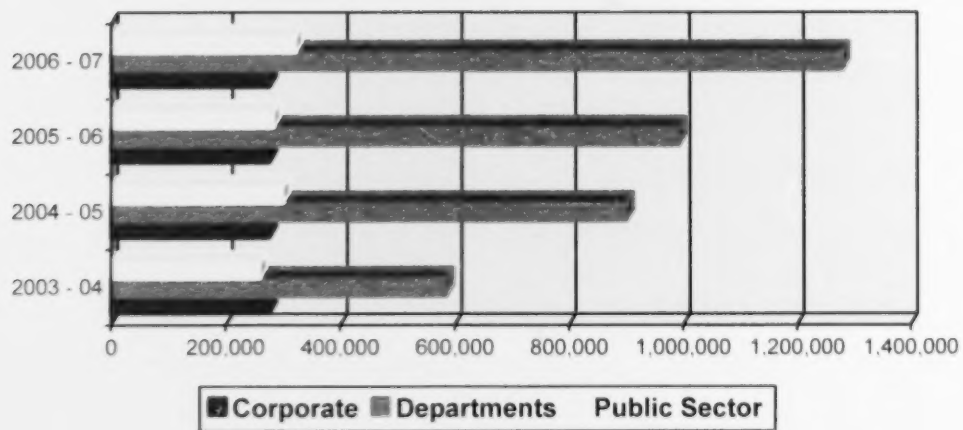


Customized

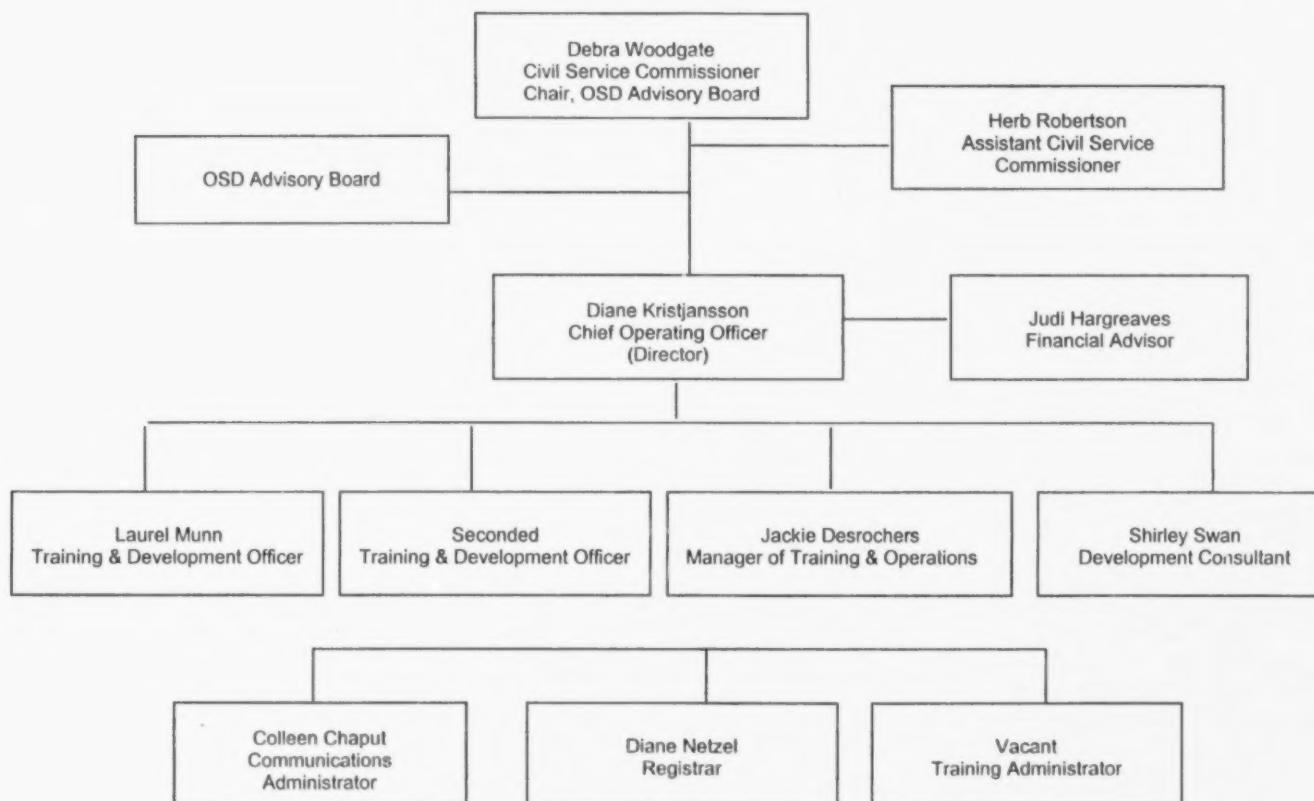


Revenue by Stream Comparison

	03/04	04/05	05/06	06/07
Corporate	274,700	274,700	274,700	274,700
Departments	583,597	899,967	991,612	1,278,414
Public Sector	259,249	299,154	282,249	320,649



OSD Reporting Relationships as at March 31, 2007



**ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF
THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY**

Financial Statements

For the year ended March 31, 2007

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Management's Responsibility for Financial Reporting

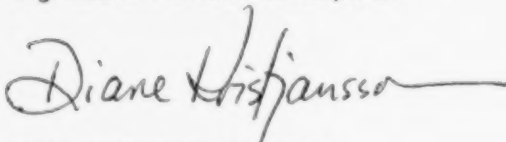
The accompanying financial statements are the responsibility of the management of Organization and Staff Development and have been prepared in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available to May 11, 2007.

Management maintains internal controls to properly safeguard the assets and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions, and that established policies and procedures are followed.

The responsibility of the Auditor General is to express an independent opinion on whether the financial statements of Organization and Staff Development are fairly represented in accordance with Canadian generally accepted accounting principles. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management,

Organization and Staff Development

A handwritten signature in dark ink, reading "Diane Kristjansson", followed by a horizontal line extending to the right.

Diane Kristjansson, Director
May 11, 2007



AUDITORS' REPORT

To the Legislative Assembly of Manitoba
To Organization and Staff Development
To the Special Operating Agencies Financing Authority

We have audited the balance sheet of Organization and Staff Development, an Agency of The Special Operating Agencies Financing Authority, as at March 31, 2007 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Agency management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2007 and results of its operations and changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
May 11, 2007

**ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF
THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY**

Balance Sheet

March 31	2007	2006
	(000's)	
Assets		
Current Assets		
Cash and bank (Note 3)	\$ 12	\$ 283
Short-term investments - Province of Manitoba	526	350
Accounts receivable	244	69
Inventories	16	5
	<u>798</u>	<u>707</u>
Receivable from Province of Manitoba (Note 4)	39	39
Capital assets (Note 5)	<u>39</u>	<u>9</u>
	<u>\$ 876</u>	<u>\$ 755</u>
Liabilities and Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 99	\$ 219
Severance liability (Note 6)	<u>47</u>	<u>75</u>
	146	294
Equity		
Retained earnings	<u>730</u>	<u>461</u>
	<u>\$ 876</u>	<u>\$ 755</u>

The accompanying notes are an integral part of these financial statements.

**ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF
THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY**
Statement of Operations and Retained Earnings

For the year ended March 31

(000's)

	2007 Actual	2006 Actual	Variance	Budget	Variance
Revenue					
Training and consulting	\$ 1,877	\$ 1,553	\$ 324	\$ 1,495	\$ 382
Interest	19	12	7	8	11
	<u>1,896</u>	<u>1,565</u>	<u>331</u>	<u>1,503</u>	<u>393</u>
Expenses					
Professional fees	659	543	116	465	194
Salaries and benefits	500	463	37	522	(22)
Books and course materials	139	122	17	93	46
Food and beverages	84	89	(5)	66	18
Accommodations	81	87	(6)	74	7
Travel	32	34	(2)	15	17
Occupancy costs	26	17	9	27	(1)
Communications	24	17	7	21	3
Rentals	20	11	9	12	8
Office supplies	20	24	(4)	23	(3)
Desk top management	19	24	(5)	30	(11)
Professional development	9	8	1	14	(5)
Other	5	3	2	6	(1)
Amortization	5	2	3	2	3
Marketing	4	15	(11)	5	(1)
Great Plains Support	-	6	(6)	1	(1)
Bad debt	-	-	-	2	(2)
	<u>1,627</u>	<u>1,465</u>	<u>162</u>	<u>1,378</u>	<u>249</u>
Net income for the year	269	100	169	125	144
Retained earnings, beginning of year	461	361			
Retained earnings, end of year	\$ 730	\$ 461			

The accompanying notes are an integral part of these financial statements.

**ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF
THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY
Statement of Cash Flows**

For the year ended March 31

	2007	2006
	(000's)	
Cash Flows from Operating Activities		
Net income for the year	\$ 269	\$ 100
Adjustment for		
Amortization of capital assets	5	2
	<u>274</u>	<u>102</u>
Changes in non-cash working capital balances		
Accounts receivable	(175)	10
Inventories	(11)	-
Prepaid expenses	-	2
Accounts payable and accrued liabilities	(120)	(150)
Severance liability	(28)	7
	<u>(334)</u>	<u>(131)</u>
	(60)	(29)
Cash Flows from Investing Activities		
Purchase of capital assets	(35)	(3)
Decrease in cash and cash equivalents	(95)	(32)
Cash and cash equivalents, beginning of year	<u>633</u>	<u>665</u>
Cash and cash equivalents, end of year	<u>\$ 538</u>	<u>\$ 633</u>
Represented by		
Cash and bank	\$ 12	\$ 283
Short-term investments	<u>526</u>	<u>350</u>
	<u>\$ 538</u>	<u>\$ 633</u>

The accompanying notes are an integral part of these financial statements.

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY

Notes to Financial Statements

March 31, 2007

(000's)

1. Nature of Organization

Effective April 1, 1994, Organization and Staff Development of the Civil Service Commission was designated by regulation as a Special Operating Agency under The Special Operating Agencies Financing Authority Act and operates under a charter approved by the Lieutenant Governor in Council. Its mandate is to provide consulting and training services to support the implementation of the government's human resource policies and priorities.

The Agency is financed through the Special Operating Agencies Financing Authority. The Financing Authority has the mandate to hold and acquire assets required for and resulting from Agency operations. It finances the Agency through repayable loans and working capital advances. This financial framework enables the Agency to operate in a business-like manner according to public policy expectations.

A Management Agreement between the Financing Authority and the Minister responsible for the Civil Service Commission assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of the Financing Authority.

Organization and Staff Development continues to be part of the Civil Service Commission under the general direction of the Commissioner and ultimately the policy direction of the Minister responsible for The Civil Service Act.

Organization and Staff Development remains bound by relevant legislation and regulations. It is also bound by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

Organization and Staff Development is economically dependant on the Province of Manitoba. Currently, the Agency derives most of its revenue from the Province of Manitoba and all of its capital financing requirements through the Financing Authority.

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY

Notes to Financial Statements

March 31, 2007

(000's)

2. Significant Accounting Policies

Basis of Reporting

The financial statements of the Agency are presented in accordance with Canadian generally accepted accounting principles.

Revenue Recognition

Training and consulting revenue is recorded on an accrual basis by specific project.

Use of Estimates

In preparing the Agency's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Financial Instruments

The Agency's financial instruments consist of cash, accounts receivable, investments and accounts payable. It is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Capital Assets

Rates of amortization applied to write off the cost of capital assets over their estimated life are as follows:

Office equipment	20% declining balance
Furniture and fixtures	20% declining balance
Computer equipment	20% straight line

In the year of acquisition, amortization is calculated at one half of the rate indicated above.

3. Working Capital

The Agency has an authorized line of working capital advances of \$120 which was unused and available at March 31, 2007.

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY

Notes to Financial Statements

March 31, 2007

(000's)

4. Receivable from Province of Manitoba

The Province of Manitoba has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at \$33 was completely offset by a receivable from the Province. The receivable from the Province was restated to \$39 as a result of the actuarial valuation completed as at March 31, 2000.

The receivable from the Province, or portion thereof, for Organization and Staff Development, will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Agency.

5. Capital Assets

	2007			2006		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Office equipment	\$ 6	\$ 3	\$ 3	\$ 6	\$ 2	\$ 4
Furniture and fixtures	46	13	33	10	9	1
Computer equipment	14	11	3	14	10	4
	\$ 66	\$ 27	\$ 39	\$ 30	\$ 21	\$ 9

6. Severance Liability

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The amount of severance pay obligations is based on actuarial calculations. The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from that expected and/or because of changes in actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

An actuarial report was completed for the severance pay liability as of March 31, 2006. The report provides a formula to update the liability on an annual basis. The Organization and Staff Development's actuarially determined net liability for accounting purposes as at March 31, 2007 was \$47 (\$75 in 2006).

**ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF
THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY**
Notes to Financial Statements

March 31, 2007

(000's)

7. Related Party Transactions

The Agency is related in terms of common ownership to all Province of Manitoba created Departments, Agencies and Crown Corporations. The Agency enters into transactions with these entities in the normal course of business.

8. Contingencies

A potential claim has been filed against the Agency for breach of an agreement. In the opinion of management and legal counsel, the amount of the potential loss can not be estimated, and the outcome of the claim is not determinable. Should any loss result from the resolution of this claim, such loss will be charged to operations in the year of resolution.

9. Pension Benefits

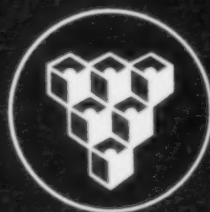
Employees of Organization and Staff Development are eligible for pension benefits in accordance with the provisions of the Civil Service Superannuation Act (CSSA), administered by the Civil Service Superannuation Board. The CSSA established a defined benefit plan to provide benefits to employees of the Manitoba Civil Service and to participating agencies of the Government, including Organization and Staff Development, through the Civil Service Superannuation Fund.

Effective March 31, 2001, pursuant to an agreement with the Province of Manitoba, the Agency transferred to the Province the pension liability for its employees. Commencing April 1, 2001, the Agency was required to pay to the Province an amount equal to its employees' current pension contributions. The amount paid for 2007 was \$18 (\$19 in 2006). Under this agreement, the Agency has no further pension liability.

10. Public Sector Compensation

Pursuant to the disclosure required by The Public Sector Compensation Disclosure Act, no remuneration was paid to Advisory Board members. During the fiscal year ended March 31, 2007, the following employees received compensation of \$50,000 or more.

	2007		2006
E. Dickson	\$ 112	\$	78
J. Desrochers	69		70
S. Swan	59		57
D. Kristjansson	68		-



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Manitoba Civil Service Commission